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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC
SERVICE COMMISSION HELD IN ITS OFFICES ON NOVEMBER 22, 2016

Commission Chairman Sally A. Talberg called the meeting to order at 11:30 a.m.

Executive Secretary Delegate Lisa Felice called the roll and declared there was a quorum.

PRESENT

Commission: Sally A. Talberg, Chairman
Norman J. Saari, Commissioner
Rachael A. Eubanks, Commissioner

Staff: Alissa Day
Judy Palnau
Lisa Felice
Al Freeman
Derrell Slaughter
Gloria Pearl Jones
Lauren Fromm
Madhu Anderson
Patrick Hudson
Dan Blair
Paul Proudfoot

Public: Donald Hazzard
Candace Gonzales, Consumers Energy
Suzy Westmoreland, MEGA
Karen Wienke, Consumers Energy
Adella F. Crozier, DTE Energy
Kwafo Adarkwa, ITC
Raj Telang, DTE Energy
Yvette Collins, AT&T

- I. Commissioner Saari moved to approve today's agenda, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The agenda was approved.

- II. Commissioner Saari moved to approve the minutes of the Regular Commission Meeting of November 7, 2016, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The minutes were approved.

III. ORDERS

A. COMMUNICATIONS

1. U-13741 AT&T MICHIGAN AND BROADVIEW NETWORKS, INC.
U-15362 AT&T MICHIGAN AND NEW CINGULAR WIRELESS PSC, LLC
(interconnection agreements and amendments)

Case No. U-13741 *et al.* requests Commission approval of interconnection agreements and amendments. The order before you approves the requests. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

B. ELECTRIC

1. U-17671-R UPPER PENINSULA POWER COMPANY
(’15 PSRC reconciliation)

Case No. U-17671-R involves an application by Upper Peninsula Power Company for approval of its power supply cost recovery reconciliation for the 12-month period ended December 31, 2015. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

2. U-18022 INDIANA MICHIGAN POWER COMPANY
(energy optimization reconciliation)

Case No. U-18022 involves an application by Indiana Michigan Power Company for authority to reconcile energy optimization program revenues and expenses for 2015. The order before you approves a settlement agreement resolving all issues in the proceeding. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

3. U-18023 DTE ELECTRIC COMPANY
('15 energy optimization reconciliation)

Case No. U-18023 involves an application by DTE Electric Company requesting authority to reconcile its energy optimization plan revenues and expenses for 2015. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

4. U-18026 THUMB ELECTRIC COOPERATIVE
('15 energy optimization reconciliation)

Case No. U-18026 involves an application by Thumb Electric Cooperative requesting authority to reconcile energy optimization costs and revenues for 2015. The order before you dismisses the case for lack of subject matter jurisdiction. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

5. U-18083 INDIANA MICHIGAN POWER COMPANY
('15 renewable energy cost reconciliation proceeding)

Case No. U-18083 involves an application by Indiana Michigan Power Company requesting authority to reconcile renewable energy costs and revenues for 2015. The order before you approves a settlement agreement resolving all issues in the proceeding. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

6. U-18085 THUMB ELECTRIC COOPERATIVE
(renewable energy reconciliation)

Case No. U-18085 involves an application by Thumb Electric Cooperative requesting authority to reconcile renewable energy costs and revenues for 2015. The order before you approves a stipulation to dismiss the proceeding for lack of subject matter jurisdiction. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

7. U-18097 THUMB ELECTRIC COOPERATIVE
(PURPA)

Case No. U-18097 involves a matter, on the Commission's own motion, establishing the method and avoided cost calculation for Thumb Electric Cooperative, pursuant to the requirements of the Public Utilities Regulatory Policy Act of 1978. The order before you approves a stipulation to dismiss the proceeding for lack of subject matter jurisdiction. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

8. U-18167 THUMB ELECTRIC COOPERATIVE
(member regulation)

Case No. U-18167 involves a matter, on the Commission's own motion, of the election by the Board of Directors of Thumb Electric Cooperative of Michigan to become member-regulated. The determination before you finds that Thumb Electric Cooperative of Michigan has met the legal requirements to become member-regulated effective November 26, 2016. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

9. U-18203 COMMISSION'S OWN MOTION
(cybersecurity)

Case No. U-18203 involves a matter, on the Commission's own motion, concerning cybersecurity. The order before you directs the Commission Staff to draft rules concerning annual cybersecurity reporting to be included in the Technical Standards for Electric Service and the Technical Standards for Gas Service. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Commissioner Saari commented:

"The Commission order today is an important step towards engaging all utilities and other critical stakeholders in a process to address the potential impact and consequences of a cybersecurity attack on the energy infrastructure in Michigan. Our approach will be directed towards uniform information sharing, as appropriate, to determine how energy providers can best address the cyber threat. Our goal will be to develop best reporting practices that will be utilized in understanding, assessing and reacting to a potential cyber threat on the integrity of utility systems and operations.

The Governor has committed state resources to fight the threat of cyber intrusion into state operations. The Public Service Commission and the Michigan Agency for Energy are strong partners in working with the Michigan State Police and other state agencies, the legislature, utilities and other energy providers to ensure we have a robust defense against the hackers and criminals who are trying to disrupt the production and delivery of electric and natural gas service in this state.

Utility customers expect safe and secure delivery of electricity and natural gas and should not have undue concerns over disruption of service or disclosure of confidential information caused by a

cyber attack. We believe that the direction provided by this order is an important measure to put into place needed practices to strengthen the state's cybersecurity program."

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

C. GAS

1. U-17691 DTE GAS COMPANY
('15-'16 GCR plan)

Case No. U-17691 involves a request by DTE Gas Company for approval of its gas cost recovery plan and factors for April 2015 through March 2016. The order before you approves the request, with modifications. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

2. U-17943 CONSUMERS ENERGY COMPANY
('17 GCR plan)

Case No. U-17943 involves an application by Consumers Energy Company requesting approval of its gas cost recovery plan and factors for the 12-month period ending March 31, 2017, and for other related relief. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

3. U-18024 DTE GAS COMPANY
('15 energy optimization reconciliation)

Case No. U-18024 involves an application by DTE Gas Company

requesting authority to reconcile its energy optimization revenues and expenses for 2015. The order before you approves a settlement agreement resolving all issues in the proceeding. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The minute was adopted.

4. U-18136 CONSUMERS ENERGY COMPANY
(application)

Case No. U-18136 involves an application by Consumers Energy Company for approval of a refund related to self-implementation of natural gas distribution rates beginning January 14, 2016 and ending April 21, 2016. The order before you approves a settlement agreement resolving all issues in this case. Commissioner Saari moved that the Commission approve the order at its November 22, 2016 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The minute was adopted.

IV. PUBLIC COMMENTS

Donald Hazzard, Ypsilanti, commended DTE's Meter Reader, Cheryl Mapes for providing excellent service when she came to his home.

Chairman Talberg announced that the next regularly scheduled Commission Meeting will be held on December 9, 2016 at 1:30 p.m.

Commissioner Saari moved that the Commission adjourn, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The motion was approved.

The meeting adjourned at 11:41 a.m.

Kavita Kale
Executive Secretary